

SETTING UP W-2'S & 1099-R'S (PR-ADM-8)

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SETTING UP W-2'S & 1099-R'S

OVERVIEW

Each year entities that pay employees and withhold payroll taxes are required to produce W-2's. W-2's and other associated reports must be submitted to federal, state, and local governments. They can be produced in MUNIS for all employees paid through the system. Each year the MUNIS W-2 program is updated to include changes to W-2 reporting requirements mandated by the Federal Government.

This document provides information to set up payroll codes for W-2 processing. For information on processing W-2 and 1099-R's, refer to ***Processing W-2's & 1099-R's*** in the ***Periodic Payroll/Personnel Processing*** section.

All questions concerning the appropriateness of W-2 codes should be directed to the appropriate federal, state, or local contact.

Please contact the MUNIS Help Desk at **800-722-4908** for telephone support in completing:

?? W-2 processing

?? 1099-M processing.

CHECKLIST FOR SETTING UP W-2'S

- ☐ 1. Verify State Assigned ID's.
- ☐ 2. Assign W-2 Codes:
 - ?? Verify/Add W-2 Codes to Deduction/Benefit Master.
 - ?? Verify/Add W-2 Codes to Pay Type Codes.

VERIFYING/UPDATING THE STATE CODE TABLE

The district **State Code** must be entered in the *State Code Table* before printing W-2's. The State Code will be printed in the '**Employee State ID No.**' box on all W-2's. For more information on the State Code Table, refer to the *Setting Up Tax Codes* document.

To Verify/Update the State-Assigned ID, Select:

B) PAYROLL & PERSONNEL

A) Auxiliary Programs

D) State Codes

1. Select **Find** from the Ring Menu.
2. Enter **KY** in the **State Code** field and press **ESC**.
3. Ensure that the district's **State Assigned ID** is entered in the **State ID #1** field.

State ID #2 is only required for sites that are multiple employers (i.e., generate payrolls for both Municipal and School District employees).

ASSIGNING W-2 CODES

The Federal Government requires that certain types of Deductions/Benefits and Pay be reported in designated boxes on the W-2 Form. MUNIS allows users to assign Deduction/Benefits and Pay Types to the appropriate W-2 Box (as designated by the Federal Government).

- ?? Federal Government designated codes are alpha characters ranging from **C** through **T**. MUNIS in the past only used designated codes **D** through **S**. **However, MUNIS is now using D through T.**
- ?? Codes **W** and **X** are optional. They can be used to print additional employee information in Box 14 on the W-2 Form.
- ?? Code **Y** is used to designate retirement deductions. Designating a deduction with this code will place an '**X**' in the Pension Box (Box 15) and an amount in Box 14 of the W-2 Form.

CODE Y NOTE: *The W-2 Generate program will sum W-2 type 'Y' deductions. Meaning that if an employee has had more than one retirement deduction during the W-2 reporting year and both deductions have a W-2 code of 'Y' on the deduction master file, the program will add the amounts together and print them as one on the W-2 in box 14.*

BOX 14 NOTE: *Because of spacing limitations, only 2 of the 4 box 14 codes may be printed, therefore a priority has been made as follows: Z, Y, W, then X. If all four codes are assigned to deductions and an employee has had all four during the reporting W-2 year, the deduction with code*

W and X will not be printed on the W-2 in Box 14, only the deductions with code Z and Y will print.

?? Code **Z** is used to designate Fringe Benefits Pay. Designating a Pay Type with this code will place an amount in Box 14 of the W2 Form.

All codes are pre-defined in MUNIS. Each district must assign the codes to the appropriate Deduction/Benefit and Pay Types.

NOTE: W-2 Codes ***MUST*** be verified before W-2 processing can begin.

Verifying or Adding W-2 Codes To Deduction/Benefit Master

For more information on the Deduction/Benefit Master, refer to the *Setting Up Deductions* document.

To Verify/Add W-2 Codes to the Deduction/Benefit Master, Select:

B) PAYROLL & PERSONNEL

A) Auxiliary Programs

H) Deduction/Benefit Master

1. Select **Find** from the Ring Menu and press **ESC** to select all Deduction/Benefit Master records.
2. Review each Deduction/Benefit Master to ensure the correct W-2 Code is entered in the **W2 Code** field.
3. If necessary, select **Update** then enter or change a W-2 Code in the **W2 Code** field.

Verifying or Adding W-2 Codes To Pay Type Codes

For more information on Pay Type Codes, refer to the *Setting Up Pay Type Codes* document.

To Verify/Add W-2 Codes to Pay Type Codes, Select:

B) PAYROLL & PERSONNEL

A) Auxiliary Programs

L) Pay Type Codes

1. Select **Find** From the Ring Menu and press **ESC** to select all **Pay Type Codes**.
2. Review each Pay Type Code to ensure the correct W-2 Code is entered in the **W-2 Code** field.
3. If necessary, select **Update** then enter or change a W-2 Code in the **W2 Code** field.